

Fashion

Agency Expansion Opportunity

Mitch Grossbach

CONFIDENTIAL | JUNE 2013

overview

- In February of 2011, Mitch Grossbach, a Fashion “talent” industry veteran (from Ford Models and Full Picture respectively) is hired to launch a new division within CAA. The goal is to represent world-class fashion talent globally and dominate within the category.
- Mitch reports directly to both Bryan Lourd and Kevin Huvane, and is encouraged to hire a dedicated team of Executives (hired from the industry) to service the needs of clients in this area. Mitch proceeds to hire three (3) additional NYC-based Agents/Execs with diverse backgrounds during the course of 2011.
- The team sign 25+ clients within the first 24 months. This roster is a “who’s who” of highly respected Designers/Creative Directors of fashion brands, Stylists, Artists, and influencers (e.g. editors, bloggers, etc), along with a handful of fashion brands and one platform (Milk Studios NYC MADE Fashion Week).
- Clients are enlisted with the expectation that the division would proactively generate new business opportunities for them in areas such as media (television/digital), commercial endorsements, licensing, sponsorships, marketing partnerships, and new business creation.
- The team leverages the connectivity & domain expertise of the entire agency, but all department members are fully self-sufficient, highly skilled and experienced business developers and deal makers, with extremely strong relationships within the industry.
- Lastly, the division regularly provides substantial cross-over expertise, relationships, guidance, and advice as clients across the agency (e.g. music, sports, motion picture talent) wish to pursue Fashion/Beauty-based opportunities.

clients

Clients are chosen carefully based on criteria that has been refined over the past two years. The client mix constitutes a balance of commercial, next generation, upper echelon, and potential investment/equity opportunities. All have maximum editorial coverage, target the luxury minded aspiring consumer, have established “better department store” distribution, contain a personality within the brand, and are eager to pursue new revenue and growth opportunities. Here is a SUBSET.....

UPPER ECHELON / ESTABLISHED BRANDS



FRANCISCO
COSTA



MARCHESA



RACHEL
ZOE



NICOLA
FORMICHETTI



DEREK
LAM



RAG & BONE



KATE
YOUNG

HIGH GROWTH



EDDIE
BORGO



REBECCA
MINKOFF



MILK
MADE



CHRISTOPHER
KANE



ALEJANDRO
INGELMO

DEVELOPMENT STAGE



MAN
REPELLER



RUMI
NEELY



PAMELA
LOVE



BRYAN
BOY

Platforms

Milk
MADE

deals

We have closed 100+ transactions across our entire client base within the past 24 months, constituting mid 8-figures of gross income in aggregate.



Calvin Klein



REVLON



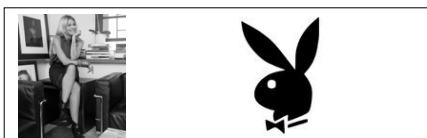
ADRIENNE LANDAU



THE HUFFINGTON POST



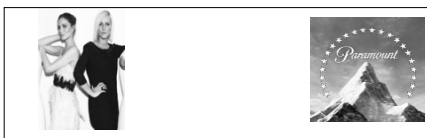
Aol.



Canon



Milk MADE



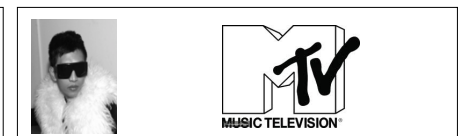
Milk MADE



Diet Coke



BEACHMINT.



key highlights & successes

- The division will be cash-flow positive and profitable this Fiscal year. Our net income is on pace to grow 200% over our previous Fiscal Year (period running from Oct 1, 2011 - Sept 30, 2012).
- We have performed transactions across all categories including film/television, commercial endorsements, licensing, consulting/creative direction, appearances, marketing partnerships & sponsorships. **Every client has been the benefactor of at least one deal since joining our roster.**
- Our largest deal was an 8-figure Creative Director contract re-negotiation completed in May of 2013.
- We've facilitated numerous "cross-over/cross-departmental" deals, including:
 - NEW MENS APPAREL BRAND: *Richard Chai (Designer) + Christian Ronaldo (Sports)*
 - NEW WOMEN'S BRAND: *Jaya Apparel (fashion producer) + Carrie Underwood (music)*
 - NEW SPORTS BRAND: *Alejandro Ingelmo (Footwear Designer) + Dwayne Wade (sports)*
 - NATIONAL MARKETING PROGRAM: *Rebecca Minkoff (Designer) + Diet Coke (Marketing)*
- Launched several brand new businesses (taking a sweat equity stake and/or perpetual net income based commission) for Fashion Clients through innovative partnerships, including:
 - Supermodel/Actress Amber Valletta's "Master & Muse" (with Yoox Group, spa)
 - Tattoo & fine Artist Scott Campbell's "Saved" wine (with Constellation, LLC)
 - Designer Nicola Formichetti's "NicoPanda" (with large Japanese apparel co)

Additional opportunities

- Based on our success within the industry, we now have received overtures from multiple significant upper-echelon Creative Directorial talent pursuing representation with us for new opportunities.
- There are numerous financial investment and new business and brand development opportunities (e.g. deal flow) that have been identified as a result of our work representing fashion talent.
- A complete business plan has been developed to capitalize on the aforementioned investment opportunities. We believe this is the natural extension and evolution of our current representation practice.
- Given our *insider* access and perspective, we are uniquely positioned to identify fashion industry deal flow prior to anyone else. We have numerous examples of clients and prospective clients who have enlisted our assistance to raise capital, either to grow their business or create new ones.
- There are a handful of fashion platforms looking for representation, which requires focus and some dedicated resource but can yield significant revenue as we've already experienced through our MADE Fashion Week client.
- Fashion Talent are looking to cross-over into non-fashion consumer facing categories, and create new products and merchandise. While some of this can be achieved through licensing, there's a bigger opportunity here if our clients are paired with the appropriate 3rd parties for joint ventures and new businesses.

BIOS & EXPERIENCE

MITCH GROSSBACH – DEPARTMENT HEAD

Mitch joined CAA in January of 2011 to launch their first Fashion division. Prior to this, Mitch was Chief Revenue Officer of the media property startup *Modelinia.com*, a wholly owned Subsidiary of Full Picture (a full service PR, production, management, and consumer branding agency). Mitch came to Modelinia after spending over 5 years as SVP and Chief Revenue Officer for Ford Models, where he built and launched Ford's entertainment and Media division, as well as ran all business development efforts for Ford. Before crossing over into the Fashion industry, Mitch spent 15 years working in various senior sales and business development leadership roles within the technology sector. Mitch graduated the University of Michigan in 1989 with a Bachelors of Science Degree in Computer Engineering. In 2012, Mitch was named one of the 50 most influential people in Fashion by Fashionista.com

MATTHEW HUNT – AGENT/EXECUTIVE

Matthew Hunt is a fashion industry veteran with over 20 years of experience spanning public relations, marketing, production, editorial and television. Matthew began his career in-house first at Donna Karan and then Isaac Mizrahi. Through the early 2000's he was Director of Production at Kevin Krier & Associates, focusing his time on all global events and activities for Tom Ford at both Gucci and Yves St. Laurent in addition to runway production and event management for Tommy Hilfiger, Kenneth Cole and Carolina Herrera. Thereafter, Matthew entered event and television production continuing his fashion brand production work (Chanel, Louis Vuitton, Hugo Boss, Giorgio Armani) and combining it with work within the entertainment industry (The Golden Globe Awards, Universal, Paramount, Fox Studios, E! Entertainment Television). In 2005, Matthew became Creative Director of Ford Models, and in 2009 spent 2 years at Exposure PR heading the North American office before joining CAA in early 2011.

MARTIN DOLFI- AGENT/EXECUTIVE

Prior to CAA, Martin founded and served as President of DOLFI, a New York-based business development and strategy-consulting firm, focused on working with brands and retailers operating in the upscale retail and consumer goods sectors. Before launching the consultancy, Martin co-founded and acted as Managing Partner of investment company Solas Investments and the fashion consultancy Solas Global Advisors where he focused on capital raising, brand relations and investment opportunities and analysis. Martin also has been a member of three publicly traded private equity companies, Endeavor Acquisition Corp., Victory Acquisition Corp. and Triplecrown Acquisition Corp., collectively managing over \$1.0 billion in investor capital. Martin also worked at Ladenburg Thalmann, Inc., a middle-market investment banking firm specializing in equity capital raisings, during this time he was personally involved in raising over \$1.3 billion in equity capital for private equity companies.